

FINAL BILL REPORT

ESHB 1020

C 196 L 06

Synopsis as Enacted

Brief Description: Regarding electrical transmission.

Sponsors: By House Committee on Technology, Energy & Communications (originally sponsored by Representatives Morris and B. Sullivan).

House Committee on Technology, Energy & Communications
Senate Committee on Water, Energy & Environment

Background:

Electrical Transmission

The region's electrical transmission grid is an interconnected network of transmission lines that transfers bulk power between points of supply and demand. The main grid consists of 500 kilovolt, 345 kilovolt, and 230 kilovolt lines. These lines are usually mounted on large metal towers that range in height from 70 to 170 feet, depending on the size, location, and design of the tower. The towers typically require rights-of-way that are 90 to 165 feet wide.

Energy Policy Act of 2005

The national Energy Policy Act of 2005 (Act) was signed into law August 2005. Section 1221 of the Act authorizes the Secretary of the U.S. Department of Energy (Secretary) to conduct a study within one year of passage, and triennially thereafter, of electric transmission congestion. The Secretary will issue a report based on the study, which may designate any geographic area experiencing electric energy transmission capacity constraints or congestion that adversely affects consumers as a national interest energy electric transmission corridor.

In determining whether to designate a particular area as a national interest electric transmission corridor, the Secretary may consider the following:

- whether the economic vitality and development of the corridor, or the end markets served by the corridor, may be constrained by lack of adequate or reasonably priced electricity;
- whether economic growth in the corridor, or the end markets served by the corridor, may be jeopardized by reliance on limited sources of energy, and a diversification of supply is warranted;
- whether the energy independence of the United States would be served by the designation;
- whether the designation would be in the interest of national energy policy; and whether the designation would enhance national defense and homeland security.

FERC's Backstop Authority

The Act authorizes the Federal Energy Regulatory Commission to issue permits for construction or modification of electric transmission in a national interest transmission corridor if:

- a state does not have siting authority;
- a state does not consider interstate benefits;
- a state has withheld approval for more than one year after the filing of an application or one year after the designation as a national interest electric transmission corridor; or
- a state has conditioned its approval in such a manner that there will be no significant reduction of transmission congestion.

EFSEC Licensing

The Energy Facility Site Evaluation Council (EFSEC) was created in 1970 to provide one-stop licensing for large energy projects. The EFSEC's membership includes mandatory representation from five state agencies and discretionary representation from four additional state agencies. The EFSEC's membership may include representatives from the particular city, county, or port district where potential projects may be located.

The EFSEC's jurisdiction includes the siting of large intrastate natural gas and petroleum pipelines, electric power plants above 350 megawatts, new oil refineries, large expansions of existing facilities, and underground natural gas storage fields. For electric power plants, the EFSEC's jurisdiction extends to those associated facilities that include new transmission lines that operate in excess of 200 kilovolts and are necessary to connect the plant to the Northwest power grid.

The EFSEC siting process generally involves six steps: (1) a potential site study followed by an application; (2) a State Environmental Policy Act review; (3) a review for consistency with applicable local land use laws and plans; (4) a formal adjudication on all issues related to the project; (5) certain air and water pollution discharge permitting reviews as delegated by the U.S. Environmental Protection Agency; and (6) a recommendation to the Governor who then decides whether to accept, reject, or remand the application. A certification agreement approved by the Governor preempts any other state or local regulation concerning the location, construction, and operational conditions of an energy facility. Under the EFSEC process, the applicant is required to pay the costs of the EFSEC in processing an application.

County and City Growth Management

Under the Growth Management Act, certain counties and cities must develop comprehensive land use plans outlining the coordinated land use policy of the county or city. The comprehensive land use planning process includes adopting development regulations, such as zoning ordinances, critical areas ordinances, and binding site plan ordinances.

Summary:

EFSEC Jurisdiction

The EFSEC jurisdiction is extended to include new electrical transmission lines that operate in excess of 115 kilovolts that are necessary to connect a power plant to the region's power grid and electrical transmission facilities in excess of 115 kilovolts in national interest electric transmission corridors. When siting transmission facilities, EFSEC must not consider the fuel source of the electricity to be carried on the facilities.

After "The EFSEC is designated as the state authority for purposes of siting transmission facilities under the national Energy Policy Act of 2005 and any accompanying regulations that may be adopted by the U.S. Secretary of Energy.", and "The EFSEC's authority regarding transmission facilities is limited to those transmission facilities that are the subject of the Energy Policy Act of 2005. When siting transmission facilities related to Energy Policy Act of 2005, the EFSEC may consider interstate benefits to be achieved by the proposed construction or modification of the facilities in the state." In addition, the EFSEC must convey to the U.S. Secretary of Energy the views of interested parties in the state concerning the appropriate limits on federal authority over transmission siting in the state.

Changes to the EFSEC Process

Various updates are made to the EFSEC process, including the consideration of local land use plans and ordinances adopted under the Growth Management Act. Also, reimbursements are authorized for the time a local government's member or designee services on the EFSEC in reviewing a siting application.

Votes on Final Passage:

House	93	2	
Senate	46	0	(Senate amended)
House	98	0	
Senate	48	0	(Senate amended)
House	96	0	(House concurred)

Effective: June 7, 2006